



OFFICE OF STATE SENATOR
Mallory McMorrow
8TH SENATE DISTRICT

Community Roundtable Summary

Deep Dive into Michigan's Economic and Community Development Strategy

Introduction & Background

In early 2023, Senator Mallory McMorrow, Chair of the Senate Economic and Community Development Committee, launched a deep dive into Michigan's economic strategy and toolkit. Through committee presentations, stakeholder meetings, and colleague conversations, it became clear that Michigan lacked consistency and direction in its economic development efforts.

In late 2023, the Growing Michigan Together Council released a report outlining the state's population decline and the need for a long-term economic vision. To better understand the report's findings and implications, the Senate committee heard from Hilary Doe, Chief Growth and Marketing Officer at the Michigan Economic Development Corporation (MEDC).

Over the following months, Senator McMorrow's team met with businesses, community members, economic leaders, local governments, educators, startups, and others across Michigan and beyond.

They found that while Michigan is full of innovative people, the state lacks coordination, shared vision, and accessible resources compared to peer states with comprehensive, long-term economic development strategies.



INNOVATIVE BUSINESS SPOTLIGHT

Networks Northwest | Traverse City, MI

Founded in 1974, [Networks Northwest](#) facilitates and manages various programs and services for the 10 counties of Northwest Michigan. Their primary service categories are workforce development; business and economic development; and community development. Their programs include Northwest Michigan Works! APEX Accelerator, various business services, and many different initiatives in response to our communities' requests and needs. Networks Northwest's member counties are Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford.

Executive Summary

To gather feedback on Michigan's economic needs, Senator McMorrow's team hosted three roundtable discussions across the state between May and September 2024. The discussions in Traverse City, Detroit, and Holland – co-hosted with Senators Damoose (Traverse City), Victory (Holland), and in collaboration with Senator Chang, Representative Hoskins, and others (Detroit), brought together diverse stakeholders to share their perspectives on economic development priorities and metrics for success.



Key themes that emerged include:

- Economic growth metrics should align with business decision-making, not just job creation.
- Statewide economic planning must coordinate with existing local, regional, and departmental strategies.
- Michigan should leverage its unique strengths, such as educational institutions and natural resources.
- Metrics for success in economic development must expand beyond just business growth to include housing, transportation, education, and quality of life.
- Accessing and navigating economic development resources is as important as the resources themselves.
- Retaining and attracting young talent is critical for Michigan's future.
- Michigan needs a clear, long-term economic vision and strategy, not reactive, short-term approaches.
- Consistent engagement with local communities and stakeholders is essential.

Recommendations

Based on the roundtable feedback and input from members, Senators McMorrow and Damoose are introducing bipartisan legislation to compel the state to create a 10-year economic development strategic plan. The plan would be developed by a board of voting and non-voting members, including state agencies, regional economic development organizations, industry leaders, and national experts.

The goal is for the strategic plan to be completed within one year or less of the appointment of the board, providing a comprehensive, long-term vision and approach to positioning Michigan for sustained, inclusive economic growth.



Roundtable Structure:

Throughout the three roundtable meetings, we briefed attendees on the context for creating this 10-year plan, along with findings from the Growing Michigan Together Council and other various state plans from around the U.S. In particular, state economic plans from Pennsylvania, Virginia, and Massachusetts, plus a regional plan out of Denver, Colorado, were referenced as success stories — discovered both via internal research and through collaboration with MEDC's Chief Growth Officer Hilary Doe.

The following five questions guided our discussion:

- What does economic development mean to you?
- What are Michigan's unique strengths that we should focus on in a 10-year strategic plan?
- What are the unique strengths of your home region in Michigan?
- What metrics should we use to measure success and progress in a strategic plan?
- What involvement would you like or expect to have as the Senators move forward in developing their legislation to prompt the creation of a 10-year strategic plan?

What We Heard

Economic growth should be measured using the same metrics that drive business decisions.

One consistent theme across the roundtables was the misalignment between Michigan's current economic growth metrics and the metrics that businesses actually use to drive their decision-making. Participants explained that the focus on job creation as the core metric in economic development deal-making is problematic. This metric is not supported by Michigan's stagnant workforce growth, nor is it competitive in today's business environment, regardless of industry. **Businesses today are more focused on increasing productivity and earnings with fewer employees. Incentivizing job creation alone would lead to unsustainable approaches to economic growth.** Currently, the MEDC and other state programs are primarily centered on job creation metrics, falling into this ineffective trap.



Statewide metrics should align with larger goals rather than operating in a silo. Collaboration and consistency are critical.

Throughout these conversations, it has become increasingly clear, that economic development planning exists in various forms on the local level, statewide, as well as within state departments and businesses. It is critical that a broader 10-year economic development strategic state plan considers and incorporates pre-existing strategies that counterparts have developed and are carrying out.

For example, the Growing Michigan Together report, along with the statewide housing plan developed by the Michigan State Housing Development Authority, the statewide educational attainment plan (60 x 30), the Michigan statewide workforce plan, the MI Healthy Climate Plan, any plans from Michigan Department of Lifelong Education and Potential (MiLEAP), and even regional comprehensive Economic Development Strategies (CEDS) required by the U.S. Economic Development Administration should all be taken into account when developing a statewide strategic plan, in order for the best coordination and consistency in collective direction.

We need to expand what our idea of economic development is.

Attendees across the roundtables agreed that economic development means different things to different people, especially based on their regional context. A one-size-fits-all approach is ineffective - collaborating with local communities on their unique needs and visions is essential.

In Southeast Michigan, Alaina Jackson of Global Detroit highlighted a finding from the Growing Michigan Together report - the only demographic consistently increasing in population is the immigrant community. Jackson emphasized that economic development in Michigan cannot succeed without deeply including immigrant communities:

"There cannot be a successful strategy that doesn't include immigrant inclusion. It's already a strategy that's working for us. And that can mean so many things - driver's licenses, alternative homeownership and business funding streams, supporting global entrepreneurs. Immigration is part of Michigan's history, and it's been working for generations. We can't ignore that. Some get nervous when they hear 'immigration,' but we have to work through that. It's time to tap into what we know is already working."

In West Michigan, Steve Grose of Jubilee Ministries explained that economic development means more than just financial growth - it's about creating a sustainable, inclusive ecosystem where people can thrive. He emphasized the importance of affordable housing, walkable communities, and robust public transit in attracting and retaining workers.

"Economic development is about more than just business growth or a booming economy. It's about creating a community where people can live, work, and enjoy a high quality of life. Affordable housing, livable cities, and accessible transportation are just as crucial as financial prosperity."

Stakeholders in Traverse City defined economic development efforts as those specifically improving the overall economy of Northern Michigan and the Upper Peninsula. This includes diversifying the local economy, creating high-wage jobs, and improving key conditions like infrastructure, housing, childcare, education, and healthcare.



INNOVATIVE BUSINESS SPOTLIGHT

Jubilee Ministries | Holland, MI

Jubilee Ministries focuses on strengthening neighborhoods and building a community with attainable homes. Through their work, they create pathways to first-time homeownership through the development of attainable housing in West Michigan. Most available housing in West Michigan and even across the state is priced above what a family making median income can afford. They build this missing middle housing that communities need to flourish.

Access to and ability to navigate resources is just as important as the resources themselves.

In Southeast Michigan, Jevona Fudge, founder and owner of coffee shop and community space Detroit Sip, emphasized that economic development to her means “access.” As she explained,



“Economic development means access. Inclusion means being invited in after the work has already started. Access means I can come in at any time - the beginning, middle, or end. Access equals empowerment.”

— Jevona Fudge | Founder, Detroit Sip

Fudge went on to say that if forced to choose between a one-time economic incentive for her business or gaining long-term knowledge to navigate Michigan’s economic development system, she would choose the knowledge. Providing businesses like hers with the tools and know-how to thrive is more valuable than one-off financial incentives.

Dug Song, co-founder of Duo Security, a tech startup widely credited as becoming Michigan’s first “unicorn” after reaching a valuation of over \$1B in 2017 before selling to Google, and chair of the Song Foundation, echoed the importance of access - not just to funding, but to opportunities, hands-on support, and the broader economic development community. He, along with others, felt Michigan fell short in creating a consistent feedback loop driven by the business community and entrepreneurs.

As Song stated, “Every business that starts here shouldn’t have to start from zero. Culture drives behavior, and behavior drives results.” Cultivating an environment where new businesses can tap into resources and support, rather than feeling like they’re starting from scratch, is key to fostering economic growth.



INNOVATIVE BUSINESS SPOTLIGHT



Global Detroit | Detroit, MI

[Global Detroit](#) is a national leader in advocating for and executing strategies to drive equitable local, regional, and statewide economic growth through immigrant inclusion. They continue to develop and lead programs centered on global talent, entrepreneurship, and neighborhoods with the aim of demonstrating their potential for large-scale impact. They also continue to conduct groundbreaking research, drive policy, and serve as a leading advocate for immigrant inclusion as a strategy to build prosperity for everyone in Southeast Michigan.

We need to motivate young people to stay in Michigan through new exciting and innovative opportunities.

Michigan faces a critical challenge in retaining and recruiting young, educated talent. The Growing Michigan Together Council report highlighted concerning data points that must be addressed to build a prosperous future with the skilled workforce needed to drive economic growth:

- Only 30% of Michigan adults over 25 have a bachelor's degree or higher, well below the national average (Boston Consulting Group, 2023).
- Michigan successfully attracts out-of-state college students but fails to retain them, resulting in a net export of college-educated talent, especially Black graduates.
- Michigan ranks 34th and 33rd nationally for associate and bachelor's degree attainment, respectively, and 49th for two-year completion rates (Boston Consulting Group, 2023).
- The percentage of Black Michigan adults aged 25+ holding a bachelor's degree (19%) lags behind both growing peer states and the U.S. overall (25%) (Guidehouse, 2023).

These stark statistics underscore the urgent need for Michigan to develop and implement strategies to attract, retain, and cultivate a robust, diverse pool of educated talent to fuel the state's economic future.



INNOVATIVE BUSINESS SPOTLIGHT

TechTown Detroit

[TechTown Detroit](#) is where Detroit businesses go to launch and grow. They explain that “We envision a meaningful and equitable revitalization of Detroit through the launch and sustainable growth of tech startups and small businesses that create new jobs, generate revenue, and strengthen neighborhoods. We help tech startups and small businesses develop, launch, and grow by connecting entrepreneurs to learning and networking events in Detroit, resources, and meeting spaces.”

Get the basics right first. Prioritizing placemaking and holistic progress must be the goal.

According to the Growing Michigan Together Council report and the majority of roundtable participants, Michigan has fallen behind in its placemaking efforts. While some communities have worked to address these issues, Michigan's downtowns generally lack the amenities, transit options, and housing that young people and families desire. There is a disconnect between community needs and the state's limited investment in placemaking and community development.

"The State of Michigan has largely disinvested from placemaking efforts and provided limited resources and tools for communities to utilize for their own development and place-based initiatives. This underinvestment in placemaking is compounded by a lack of investment in Michigan's physical infrastructure."

— Growing Michigan Together Council Report

The report goes on to explain that this disinvestment, coupled with the impacts of climate change, has led to flooding, crumbling roads, water contamination, and unreliable public transit across the state. Once known for its thriving, affluent communities and world-class infrastructure, Michigan now faces a variety of unmet needs, leaving many communities lacking the desirable attributes to attract and retain residents, especially young people.

This lack of investment in placemaking and infrastructure has created significant barriers to Michigan's competitiveness and ability to attract talent. Addressing these shortcomings must be a priority in the state's economic development strategy.



INNOVATIVE BUSINESS SPOTLIGHT



Lilypad Labs | Douglas, MI

[Lilypad Labs](#) has redefined peaceful water recreation with Lilypad, a shareable solar boat. Utilizing clean energy and autonomous mobility technology, Lilypad offers an approachable alternative boating experience designed to bring people together on the water while requiring little to no boating expertise. Designed and manufactured in Michigan, Lilypad makes access to water simple, sustainable, and pollution free. Committed to transparency and accountability, Lilypad Labs leverages business to positively serve employees, communities, and the environment.

Stop being reactionary—think and plan for long-term growth.

In 2021, the announcement that Ford would invest \$11 billion into facilities in Kentucky and Tennessee caught many in Michigan by surprise. This prompted fears that they weren't well positioned to compete as the auto industry shifted towards electric vehicles.

This “earthshattering” news opened the door for economic developers and incentive proponents to argue that Michigan lost these projects due to a lack of economic development tools. In response, the state created the SOAR fund, which provides hundreds of millions in incentives to attract projects.

However, many critics question whether this reactive, incentive-driven approach is the right direction for Michigan. When competing for Amazon's HQ2, Michigan put forth a \$4 billion bid focused solely on tax breaks. In contrast, Virginia - which was in the process of releasing a new 10-year economic development plan - offered a more strategic, holistic package.

Virginia's offer included \$550 million in tax breaks, plus an additional \$195 million for transportation improvements and a \$1 billion investment in a new Virginia Tech campus co-located with the HQ2 site. As Virginia's economic development leader explained, this education-focused proposal was unique among the HQ2 bids.

Ultimately, Virginia's balanced approach won out over Michigan's massive incentive package that lacked complementary investments. This underscores the importance of proactive, long-term planning over knee-jerk reactions to economic losses. Michigan must move beyond its current tool kit of large incentives awarded to individual companies. Instead, the state needs to thoughtfully determine its priority industries and build a comprehensive, collaborative strategic plan to support them over the long term. Securing lasting economic growth requires careful planning, not panic-driven offers.



INNOVATIVE BUSINESS SPOTLIGHT

Northbound PT | Traverse City, MI

Dr. Aubrey Jabour knows that the healthcare system is broken, and that's why it is her goal to keep her community from needing to spend precious time and resources on preventable pain and injuries. Her goal is to help people move their best so they can continue to do the activities which are meaningful to them. She seeks to meet people and businesses where they are (literally and figuratively!) with holistic and goal-oriented services. She named her business “Northbound” as it evokes a positive directional change and is the direction many people travel to reach the desirable and treasured Northern Michigan region.



INNOVATIVE BUSINESS SPOTLIGHT

Cherry Republic | Glen Arbor, MI

[Cherry Republic](#) is a small Michigan business that began in the late 1980s. Cherry Republic grows 75% of the country's variety of mighty Montmorency cherries. They use these cherries in the creation of over 200 different products and even have store fronts in Traverse City, Ann Arbor, Holland, and Frankenmuth, plus an active online business presence.

Diversifying the types of major investments made as a state is crucial, and further strategy around what our priority industries and projects as a state should be is needed.

When reviewing the strategic economic plans of Virginia, Pennsylvania, Massachusetts, and Denver, a clear focus on priority industries emerged as a key component. Roundtable attendees echoed this need, expressing frustration that Michigan lacks a clear direction or identity when it comes to identifying its future economic priorities. Instead, the state often tries to revitalize historic trends that require evolution.

Attendees repeatedly voiced frustration with Michigan's current economic development toolkit, specifically the massive incentives awarded annually to a few large businesses. These deals are often controversial, fail to materialize, or result in wages and benefits that do not meet standards. Meanwhile, local businesses can be negatively impacted. Participants questioned whether these large-scale incentives are truly the best approach for Michigan's long-term economic growth, given the state's struggles with talent attraction, retention, and population growth.

The contrast with Virginia's strategic approach is stark. When competing for Amazon's HQ2, Virginia offered a more balanced package - \$550 million in tax breaks coupled with \$195 million for transportation improvements and \$1 billion for education – including investments in K-12 STEM education and a new Virginia Tech campus that would guarantee a sustainable pipeline of over 10,000 graduates with computer science degrees. This holistic offer focused on long-term investments in education and infrastructure, rather than just the largest financial incentive. Virginia's bid won, while Michigan's offer of nearly \$4 billion in tax breaks and incentives fell short.

Michigan must move away from its reactive, incentive-driven economic development model and instead focus on intentional, collaborative long-term planning that positions the state for sustained, inclusive growth. Determining the state's priority industries and building a comprehensive strategic plan to support them should be the guiding approach.

Consistently engage local communities and stakeholders. Provide them with a space to both inform us and learn in return.

Many stakeholders who attended the roundtable discussions voiced that this was the first time they had been invited to openly dialogue with state representatives about their experiences navigating Michigan's economic environment - both positive and negative.

This highlights a critical failure in the process that must be addressed. The state's economic development mechanisms and strategies are being used by these very stakeholders, yet they are not being reviewed critically in collaboration with those on-the-ground actors. We must ensure a symbiotic relationship between the state, its economic toolkit and strategy, and the crucial stakeholders navigating this system every day.

Many participants, especially small businesses, minority-owned enterprises, nonprofits, and advocacy groups felt they are often completely left out or are an afterthought in the state's economic development discussions. **Meaningful, consistent engagement with these local stakeholders is essential for developing an effective, inclusive approach.**

The roundtable attendees' feedback underscores the need for the state to create structured channels for ongoing dialogue and feedback loops with the business community, entrepreneurs, and other economic development partners. Their real-world experiences and perspectives must actively shape Michigan's economic strategy and toolkit, not be an afterthought. Closing this gap is imperative for crafting solutions that truly meet the needs of communities across the state.



INNOVATIVE BUSINESS SPOTLIGHT



Rebel Cultures, LLC | Holland, MI

[Rebel Cultures](#), is creating the first-of-its-kind Plant Replication System™ to re-localize plant production and help the world make resilient plants without hyper-clean labs. They believe entire plant production supply chains must become local again, and seed isn't always the answer. According to Rebel Cultures, "We believe we've found a better way to maximize desired traits, climate resiliency, and preserve biodiversity with a new propagation method. Our nature-inspired process + plant tissue culture knowledge → a practical new way to locally propagate young plants at scale. We believe solving local plant propagation underpins our freedom to breathe, eat, live enjoyably, and exist on a diverse and interesting planet."

Summary

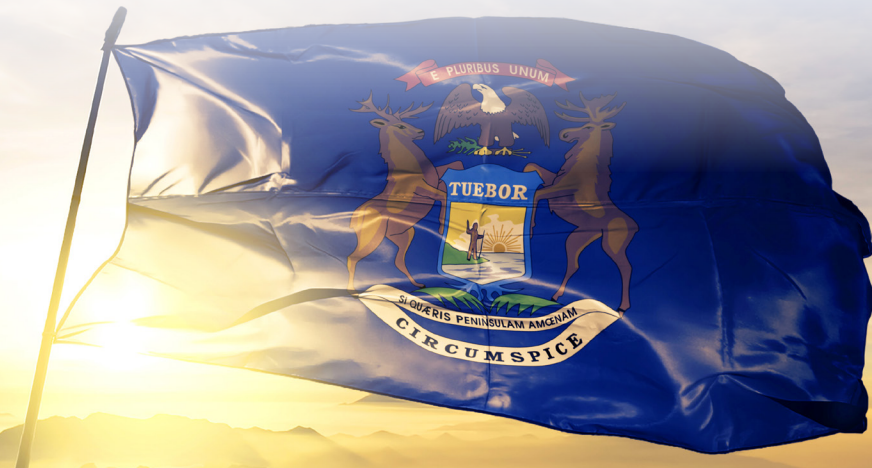
Across Michigan, innovative individuals and communities are already looking towards the future, creating and pursuing new opportunities for their businesses and families. It is time for the state to collaborate with these local stakeholders and collectively envision Michigan's path forward, rather than focusing solely on reviving past economic models or copying incentives or tools from other states without a clear direction or strategic vision unique to Michigan and Michiganders' prosperity.

The roundtable participants made clear that the people on the ground are ready for change and believe in Michigan's immense potential. Now, it is up to state policymakers and planners to catch up and align their efforts with the aspirations of local communities.

While stakeholders acknowledged the limitations of what state government can directly solve, they also

believe that significant missed opportunities are passing Michigan by due to the lack of collaborative, long-term economic strategies. By developing an expert informed, 10-year economic development strategic plan, the state can align with the approaches of its neighboring competitors and address the clear pitfalls and weaknesses in Michigan's current toolkit.

The time has come for Michigan to move beyond reflexively trying to revive the past and instead work in true partnership with local innovators to collectively chart a bold, future-focused vision for the state's economic success, one grounded in the success of our residents. Stakeholders are ready and willing - it is up to state leaders to seize this opportunity.



Next steps

November/December 2024: Introduction and passage of legislation to compel the creation of Michigan's 10-year strategic economic development plan.

Thirty days after the bill takes effect: The Governor appoints board members.

One year after the appointment of the board: Board members will develop Michigan's 10-year strategic economic plan.

Every year after: No later than September 30 of the year after the plan is developed — and every September 30 after, Michigan's strategic economic plan must be updated and reviewed.



Appendix: Roundtable RSVP

West Michigan

- **Senator Roger Victory**
*Michigan's 31st Senate District,
Minority Vice-Chair, Senate Economic
and Community Development
Committee*
- **Jennifer Owens**
President at Lakeshore Advantage
- **Kelly Springer**
*President and CEO at Metal Flow
Corporation*
- **Tim Bartik**
*Senior Economist at the W.E. Upjohn
Institute for Employment Research*
- **Della Fetzer**
Founder at Rebel Cultures, LLC
- **Randy Thelen**
*President and CEO at The
Right Place*
- **Mike Morin**
Director of Seamless
- **Jodi Owczarski**
*President and CEO at West Coast
Chamber*

- **Amanda Murray**
*VP, Business Solutions at Lakeshore
Advantage*
- **Patrick Cisler**
*President and CEO at Community
Foundation Holland/Zeeland area*
- **Scott Lindemann**
CEO at Mission Design & Automation
- **Brooke Oosterman**
Director of Housing Next
- **Dana Lowell**
Founder and CEO of Lilypad Labs
- **Nate Hoekstra**
*General Manager of Coastal
Container*
- **Steve Grose**
*Executive Director of Jubilee
Ministries*

Southeast Michigan

- **Ned Staebler**
*Vice President for Economic
Development at Wayne State
University and President and
CEO of TechTown*

- **Jennifer Hayes**
*Senior Vice President, Operations &
Policy at Invest Detroit*
- **Alaina Jackson**
Managing Director at Global Detroit
- **Dug Song**
*Co-founder of DUO and Co-founder
and Chair of the Song Foundation*
- **Mark de la Vergne**
*Economic Innovation and Policy at
Michigan Central*
- **Kacee Must Leeb**
*Owner of Citizen Yoga and Founder
of Fourth Tri Sanctuary*
- **Megan Owens**
Director of Transit Riders United
- **Bilal Hammoud**
*Executive Director of the American
Arab Chamber*
- **Duc Ngyuen Abrahamson**
*Executive Director of the Asian
Pacific American Chamber*
- **O. Rerhi Onomake**
*CEO of the Global African Business
Association*

- **Anita Zavala**
*Director of Entrepreneurship &
Wealth Building at Detroit Hispanic
Development Corporation*
- **Kelli Dobner**
*Chief Growth Officer and Chair, IDEA
Steering Committee at Samaritas*
- **Gigi Salka**
*Chief Workforce Development
Officer Zaman International*
- **Wojciech Zolnowski**
*Executive Director of International
Institute of Metro Detroit*
- **Paul Jones**
CEO of ProsperUS Detroit
- **Shaffwan Ahmed**
Program Manager with City of Detroit
- **Marlo Rencher**
President of Detroit Means Business
- **Jevona Fudge**
Founder and Owner at Detroit Sip
- **Khalilah Burt Gaston**
*Executive Director of the Song
Foundation*

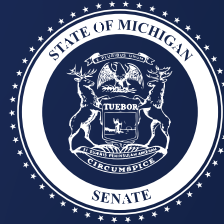
- **Ashley Dowe**
President of Wayne State's Black Business Student Association
- **Rep Jason Hoskins**
Michigan's 18th House District, Chair of the House Economic Development and Small Business Committee
- **Ann Marie Nicholson**
Senator Sue Shink's office – Michigan's 13th Senate District
- **Em Lefko**
Senator Veronica Klinefelt's office – Michigan's 11th Senate District
- **Senator Stephanie Chang**
Michigan's 3rd Senate District

Northern Michigan

- **Senator John Damoose**
Michigan's 37th Senate District
- **Mark Heydlauff**
City Manager for the City of Charlevoix
- **Nikki Devitt**
Chair and President at the Northern Michigan Chamber Alliance/Petoskey Area Chamber of Commerce
- **Chris Forsyth**
Deputy County Administrator for the Grand Traverse County Economic Development Corporation
- **Jim Bardenhagen**
President of the Leelanau Peninsula Economic Foundation
- **Patricia Soutas-Little**
Chair of the Leelanau Early Childhood Development Commission
- **Warren Call**
President & CEO at Traverse Connect
- **Bob Sutherland**
Owner of Cherry Republic
- **Matt McCauley**
SVP of Regional Development at the MEDC
- **Janie McNabb**
CEO of Networks Northwest
- **Danielle McCann**
Government Relations Specialist at the MEDC
- **Sarah Lucas**
Deputy Director of LEO Office of Rural Development
- **Henry Wolf**
Director of Policy and Grant Programs at LEO Office of Rural Prosperity

- **Trevor Tkach**
President at Traverse City Tourism
- **Kevin Shephard**
County Administrator of Charlevoix County
- **Bill Myers**
President of Promethient
- **Amy Hovey**
Director at MSHDA
- **Payton Heins**
President of Northern Lakes Economic Alliance
- **Aubrey Jabour**
Owner of Northbound PT
- **Brayton Farr**
President of Leelanau Peninsula Chamber of Commerce





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